

BUDGET MONTH-NINE

Your company gives you a \$75 monthly fringe benefit that you must spend on insurance. You need to buy health insurance and life insurance. If the \$75 does not cover the complete cost of your insurance, you must pay the remainder.

Questions to be answered:

What is the difference between a traditional health plan and a Health Maintenance Organization (HMO)? _____

Which will you choose and why? _____

How much will it cost you for a doctor's office visit? _____

Does the plan cover the costs of prescription drugs? _____

If so, what are the co-payments? _____

If you were to get sick during an out of town trip and could not visit your regular doctor, would your insurance cover the costs? _____

What is the difference between term life insurance and whole life insurance? _____

Will you purchase term life insurance or whole life insurance? _____

How many thousands of dollars will your beneficiaries receive from the life insurance policy in the event of your death? _____

Write a one to two page paper explaining the criteria you used to select your health and life insurance plans and attach it to Budget Month-Nine.

[illegible]

September 12, 2002